

## *Isolde v. Trinity Industries, Inc.*

**COURT:** United States District Court for the Northern District of Texas  
**CASE NUMBER:** 3:15-cv-02093-K  
**CLASS PERIOD:** 02/16/2012 - 04/24/2015  
**CASE LEADERS:** James A. Harrod, Adam Hollander

Securities fraud class action filed on behalf of a class of persons and entities who purchased or otherwise acquired Trinity Industries, Inc. ("Trinity") common stock between February 16, 2012 and April 24, 2015, inclusive (the "Class Period"), and were damaged thereby (the "Class").

On March 8, 2016, the Honorable Ed Kinkeade appointed BLB&G client the Department of the Treasury of the State of New Jersey and its Division of Investment as co-Lead Plaintiff and BLB&G as co-Lead Counsel for the Class.

Lead Plaintiffs allege that Trinity, along with the Company's CEO Timothy R. Wallace; its CFO James E. Perry; and the President of wholly-owned subsidiary Trinity Highway Products, Gregory B. Mitchell (collectively, "Defendants") defrauded investors who purchased shares of Trinity common stock during the Class Period. On May 11, 2016, Lead Plaintiffs filed the Consolidated Complaint for Violations of the Federal Securities Laws ("Complaint"), which alleges that during the Class Period, Defendants made false and misleading statements by failing to disclose to investors that Trinity secretly made dangerous changes to its ET-Plus guardrail system in 2005 without necessary approval from the Federal Highway Administration, exposing the Company to considerable civil and criminal liabilities, risk of lost business, and other negative financial consequences as a result. These alleged misstatements and omissions artificially inflated Trinity's stock price, ultimately causing substantial damage to the Class when the truth was revealed.

On June 14, 2016, Defendants filed a motion to stay and administratively close proceedings pending Trinity's appeal to the Fifth Circuit of a related qui tam judgment in United States ex rel. Joshua Harman v. Trinity Industries, Inc., No. 2:12-cv-0089-JRG (E.D. Tex.) ("Harman"). Judge Kinkeade denied Defendants' motion to stay on July 5, 2016. On August 18, 2016, Defendants filed motions to dismiss the Complaint on behalf of: (i) Trinity, James E. Perry and Timothy R. Wallace; and (ii) Gregory B. Mitchell. On October 4, 2016, Lead Plaintiffs filed their opposition to Defendants' motions, and Defendants filed their reply briefs on November 18, 2016. On March 13, 2017, the Court sua sponte reconsidered its previous denial of Defendants' motion to stay, granted that motion, and administratively closed proceedings pending the Fifth Circuit's decision in the related Harman case. On September 29, 2017, the Fifth Circuit reversed the verdict in Harman and rendered judgment as a matter of law in favor of Trinity. On February 12, 2018, the plaintiff in Harman filed a petition for a writ of certiorari with the U.S. Supreme Court, which was denied on January 7, 2019. On February 21, 2019, the parties in the present Action jointly stipulated to modify the schedule for Plaintiffs to file an amended complaint. On May 8, 2019, the parties agreed to further modify the schedule to allow the parties to focus their efforts on mediation.

### **Lead Plaintiffs Have Settled The Action**

On June 18, 2019, the parties engaged in a successful mediation session with Gregory P. Lindstrom, and the parties agreed to settle the Action for financial consideration in the amount of Seven Million, Five Hundred Thousand Dollars (\$7,500,000.00). The parties finalized a written term sheet, which documented their agreement to the financial consideration and several non-monetary settlement terms.

On September 23, 2019, the parties entered into the Stipulation of Settlement (the “Stipulation”) setting forth the final terms and conditions of the proposed Settlement. If approved, the Settlement will resolve all claims in the action.

On November 12, 2019, the Court granted preliminary approval of the Settlement, authorized dissemination of the Notice and Proof of Claim and Release Form to potential Class Members, and set a final approval hearing for March 31, 2020, at 10:00 a.m. CST.

On March 31, 2020, following the hearing, the Court approved the Settlement and entered a Final Judgment, an order approving the proposed Plan of Allocation, and an order awarding attorneys’ fees and expenses.

If you are a member of the Class, in order to be potentially eligible to receive a payment under the Settlement, you must submit a Claim Form postmarked no later than March 25, 2020. Payments to eligible claimants will be made only after the completion of all claims processing. Please be patient, as this process will take some time to complete.

More information about the Settlement can be found at: <http://www.trinitysecuritiessettlement.com/>.

#### **IMPORTANT DEADLINE.**

SUBMIT A PROOF OF CLAIM

**Proofs of Claim must be postmarked (if mailed) or received (if submitted online) on or before March 25, 2020.**

#### **Case Documents**

- Notice of Pendency and Proposed Settlement of Class Action
- Proof of Claim and Release
- March 31, 2020 – Final Judgment and Order of Dismissal with Prejudice
- March 31, 2020 – Order Approving Plan of Allocation of Settlement Proceeds
- March 31, 2020 – Order Awarding Attorneys’ Fees and Expenses and Plaintiffs’ Expenses
- March 24, 2020 – Order Providing That Final Settlement Hearing Scheduled for March 31, 2020 Be Conducted by Telephone
- November 12, 2019 - Order Preliminary Approving Settlement and Providing For Notice
- September 24, 2019 - Stipulation of Settlement
- May 11, 2016 - Class Action Complaint